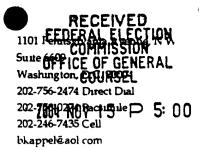


Brett G. Kappel Attorney at Law



November 15, 2004

Jeff S. Jordan
Supervisory Attorney
Complaints Examination &
Legal Administration
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re:

MUR

5559

Dear Mr. Jordan:

This Response, including attachments, is submitted on behalf of Adams Outdoor Advertising, Inc., Adams Outdoor Advertising Limited Partnership and AOA Holding, LLC (collectively "AOA") and Stephen Adams ("Mr. Adams") in response to complaint filed by

Dennis Baylor in MUR 5559,

For the reasons set forth below, the Federal Election Commission should find that there is no reason to believe that AOA violated any provision of the Federal Election Campaign Act ("FECA") or applicable Federal Election Commission ("FEC" or "the Commission") regulations,

Summary of Allegations

It is difficult to discern from the vaguely-worded complaint exactly who the complainants believe committed which violations of FECA. The

OF CRAHEN CENTER



complaint appear to be based on two facts: (1) in early September, 2004, advertisements supporting the Bush-Cheney '04 campaign began to be posted on AOA billboards in Michigan and Pennsylvania, and (2) each billboard bore the disclaimer "Personal message paid for and sponsored by Stephen Adams."

MUR 5559 Complaint at ¶ 1. Based solely on their observations of these billboards, and without any additional evidence whatsoever, the complainant allege that AOA and Mr. Adams committed serious violations of FECA.

The complaint in MUR 5559 is especially vague in its allegations. As far as can be determined, the complainant in MUR 5559 appears to allege that Mr. Adams, by paying for the billboards, made an excessive personal contribution to the Bush-Cheney '04 campaign in violation of 2 U.S.C. § 441a(a)(1)(A). MUR 5559 Complaint at ¶ 9. Alternatively, the complainant speculates that Mr. Adams and AOA engaged in some type of sham transaction that somehow resulted in AOA making a prohibited corporate in-kind contribution to the Bush-Cheney '04 campaign in violation of 2 U.S.C. § 441b(a). MUR 5559 Complaint at ¶ 10.



Statement of Facts and Discussion of Authority

For the reasons set forth below, the allegations in the complaint are completely without merit.

Stephen Adams Did Not Violate 2 U.S.C. § 441a(a)(1)(A)

Contrary to the allegation in paragraph 9 of the complaint in MUR 5559, Mr.

Adams did not violate 2 U.S.C. § 441a(a)(1)(A) by making an excessive contribution to the Bush-Cheney '04 campaign. The dollar limits on personal contributions enumerated in 2 U.S.C. § 441a(a)(1)(A) do not apply to independent expenditures. The billboards that are the focus of the complaint were paid for by Mr. Adams as part of a multi-state outdoor advertising campaign paid for in its entirety by Mr.

Adams as an independent expenditure in support of the Bush-Cheney '04 campaign.

FECA defines an "independent expenditure" as an expenditure by a person that expressly advocates the election or defeat of a clearly identified candidate that was not made in concert or cooperation with or at the suggestion of the candidate, the candidate's authorized political committee, or its agents, or a political party committee or its agents.

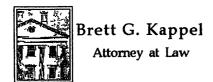
2 U.S.C. § 431(17); 11 C.F.R. § 100.16(a). FECA further states that the term "clearly identified" means that the name of the candidate involved appears on the communication.



2 U.S.C. § 431(18)(A); 11 C.F.R. § 100.17. Finally, FEC regulations define the term "expressly advocating" for purposes of 2 U.S.C. § 431(17) as any communication that uses a campaign slogan such as "Nixon's the One," "Carter '76," "Reagan/Bush" or "Mondale!" which, in context, can have no other reasonable meaning than to urge the election or defeat of one or more clearly identified candidates. 11 C.F.R. § 100.22(a).

There can be no doubt that the billboards that are the subject of the complaint expressly advocate the re-election of President George W. Bush and Vice President Dick Cheney. The outdoor advertising campaign paid for by Mr. Adams used a number of different advertisements. Each advertisement used a different catch phrase (e.g., "Defending Our Nation," "It's About Our National Security," "Boots or Flip-Flops?") that appeared in white type on a blue background immediately above the campaign slogan "BushCheney04" superimposed on the red and white stripes of the American flag. See billboard mockups attached as Attachment 1.

Moreover, both Stephen Adams and AOA went to great lengths to ensure that the outdoor advertising campaign in support of Bush-Cheney '04 met all the requirements of an independent expenditure under FECA. Mr. Adams hired AOA on or about June 1, 2004 to design and implement an outdoor advertising campaign as an independent expenditure in support of the re-election of President George W. Bush. Affidavit of Stephen Adams at ¶ 4 (attached as Attachment 2); Affidavit of Randall Romig at ¶ 3 (attached as Attachment 3).



Recognizing that the advertising campaign requested by Mr. Adams required compliance with federal regulations, Randall Romig, the AOA employee who was principally responsible for the advertising campaign, sought legal advice from the outdoor advertising industry's trade association, the Outdoor Advertising Association of America, Inc. ("OAAA"). On or about June 4, 2004, Randall Romig contacted Nancy Fletcher, President of the OAAA, to seek guidance from her on the legal requirements applicable to an outdoor advertising company employed to design and implement an advertising campaign as an independent expenditure in support of a candidate for federal office. Affidavit of Randall Romig at ¶ 4. Ms. Fletcher forwarded Mr. Romig's request to Eric Rubin, a partner in the law firm of Rubin, Winston, Diercks, Harris & Cooke, L.L.P. and general counsel to the OAAA. Affidavit of Randall Romig at ¶ 5. On or about June 10, 2004, Mr. Rubin sent a letter to Mr. Romig providing general guidance on the legal restrictions applicable to an outdoor advertising company hired to design and implement an advertising campaign as an independent expenditure in support of a candidate for federal office. Affidavit of Randall Romig at ¶ 6; Letter from Eric Rubin to Randall Romig (June 10, 2004)(attached as Attachment 4).

Mr. Rubin advised Mr. Romig that federal law required that Mr. Adams undertake this advertising campaign independent of, and without any coordination or communication of any type whatsoever with, any campaign organization or any person affiliated with such an entity. Mr. Rubin advised Mr. Romig that if Mr. Adams wanted to

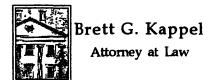


make an independent expenditure in support of the re-election of President George W. Bush, it had to be truly an individual and personal effort by Mr. Adams in complete isolation from any political organization and had to be paid for by Mr. Adams with his personal funds and without any offset or reimbursement by AOA. Affidavit of Randall Romig at ¶ 8; Letter from Mr. Rubin to Mr. Romig at 1. On or about June 19, 2004, Mr. Romig forwarded Mr. Rubin's letter to Mr. Adams with a cover memorandum stating that, according to Mr. Rubin, it was permissible for Mr. Adams to proceed with the advertising campaign in support of the re-election of President George W. Bush, provided that Mr. Adams paid for the advertisements directly and without any involvement by the Bush campaign. Affidavit of Randall Romig at ¶ 10; Memorandum from Randy Romig to Steve Adams (June 19, 2004)(see Attachment 4).

Mr. Adams received and read the memorandum from Mr. Romig and the letter from Mr. Rubin on or about June 21, 2004. Affidavit of Stephen Adams at ¶¶ 6-9.

Throughout the advertising campaign that is the subject of the complaint

both Mr. Adams and Mr. Romig strictly followed Mr. Rubin's advice regarding the requirement that there could be no contact between Mr. Adams or AOA and the Bush campaign or any other political organization if the advertising campaign were to qualify as an independent expenditure by Mr. Adams. Affidavit of Stephen Adams at ¶ 10; Affidavit of Randall Romig at ¶ 14. Neither Mr. Adams nor Mr. Romig had any contact whatsoever with any federal candidate, candidate's authorized



committee, or their agents, or any political party or its agents throughout the design and implementation of the advertising campaign that is the subject of the complaint

Affidavit of Stephen Adams at ¶ 11; Affidavit of Randall Romig

at ¶ 15.

Accordingly, because the billboards that are the subject of the complaint

were part of an independent expenditure by Mr. Adams in support

of the Bush-Cheney '04 campaign there is no reason to believe that Mr. Adams made a

excessive personal contribution to Bush-Cheney '04 in violation of 2 U.S.C. §

441a(a)(1)(A).

Neither AOA Nor Stephen Adams Violated 2 U.S.C. § 441b(a)

The complaint appear to allege, without any substantiation, that Stephen Adams and AOA engaged in something other than an armslength transaction and that, therefore, AOA made a prohibited corporate in-kind contribution to the Bush-Cheney '04 campaign. These allegations are simply false.

FECA prohibits a corporation from making a contribution or expenditure in connection with any federal election. 2 U.S.C. § 441b(a).



regulations describing the term "anything of value" state that if goods or services are provided at less than the usual and normal charge, the difference between the usual and normal charge and the amount actually charged would constitute an in-kind contribution from the vendor. 11 C.F.R. § 100.52(d)(1). Finally, FEC regulations define the term "usual and normal charge" for services as the "commercially reasonable rate prevailing at the time the services were rendered." 11 C.F.R. § 100.52(d)(2).

Mr. Adams and AOA went to great lengths to ensure that AOA did not inadvertently make an in-kind contribution to the Bush-Cheney '04 campaign. In his June 10, 2004 letter, Mr. Rubin advised Mr. Romig that federal election laws prohibited any contribution by a corporation to a federal election campaign. Mr. Rubin specifically advised Mr. Romig that all costs associated with respect to the advertising campaign had to be paid directly by Mr. Adams. Mr. Rubin's letter stated that this would include payment for all AOA services provided to Mr. Adams, including the direct costs for the design and posting of the proposed advertisements as well as the cost of administering the project. Mr. Rubin also advised Mr. Romig that AOA should charge Mr. Adams the same rates for AOA services that the company would normally charge any other advertiser for comparable services. Affidavit of Randall Romig at ¶ 7; Affidavit of Stephen Adams at ¶ 8; Letter from Eric Rubin to Randall Romig (June 10, 2004)(attached as Attachment 4).

Both Mr. Adams and Mr. Romig strictly followed Mr. Rubin's advice in this regard. AOA charged Mr. Adams the normal and usual charge for all of the services



provided to Mr. Adams in connection with the advertising campaign that is the subject of the complaint Mr. Adams, in an abundance of caution, actually paid AOA more than the direct costs of the advertising campaign in an effort to ensure that AOA did not make an in-kind contribution to the Bush-Cheney '04 campaign. Affidavit of Randall Romig at ¶ 16.

When Mr. Adams retained AOA to design and implement a multi-state outdoor advertising campaign in support of the re-election of President George W. Bush, he gave the company a budget of one million dollars (\$1,000,000). Affidavit of Stephen Adams at ¶ 4; Affidavit of Randall Romig at ¶ 17. AOA employees under the supervision of Mr. Romig designed an advertising campaign that called for the placement of outdoor advertisements in Michigan, Pennsylvania, Wisconsin and South Carolina. Mr. Romig requested that AOA employees in these states provide him with the current market rates in each market. Affidavit of Randall Romig at ¶ 18. See also, e.g., Memorandum from Kevin Fitzsimmons and Steve Boyle to Randy Romig (July 13, 2004)(attached as Attachment 5).

It is standard practice in the outdoor advertising industry to charge advertisers separately for advertising space costs and production costs. Production costs are the costs of printing the advertisements that are then installed on billboards. Advertising space costs are the costs of renting the billboards for a defined period. The standard practice in the outdoor advertising industry is to build all indirect costs, such as creative design and



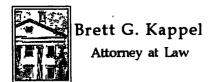
administrative costs, into the standard rates that are charged for advertising space.

Affidavit of Randall Romig at ¶ 19.

Based on the legal advice from Mr. Rubin, Mr. Romig designed an advertising campaign for Mr. Adams that purposefully came in approximately twenty thousand dollars (\$20,000) under budget. This "slippage" was built into the advertising campaign so that AOA would recover any unusual indirect costs that were not built into the advertising space costs and thereby ensure that Mr. Adams paid the entire cost of the advertising campaign. Mr. Romig believed, based on Mr. Rubin's advice, that this was a prudent way to ensure that AOA did not inadvertently make an in-kind contribution to the re-election campaign of President George W. Bush. Affidavit of Randall Romig at ¶ 20.

Mr. Romig personally prepared the display contracts that AOA submitted to Mr. Adams. Based on the legal advice of Mr. Rubin, and using the current market rate information supplied by individual AOA offices, Mr. Romig charged Mr. Adams standard rate card rates for advertising space. The proposed contracts were sent to Mr. Adams between August 18, 2004 and August 24, 2004. Mr. Adams signed the contracts and returned them to Mr. Romig at AOA headquarters in Atlanta, Georgia during the last week of August, 2004. Affidavit of Randall Romig at ¶21; Affidavit of Stephen Adams at ¶12. See also, e.g., Poster and Bulletin Display Contracts between Adams Outdoor Advertising of Lehigh Valley and Stephen Adams (attached as Attachment 6).

The advertising campaign AOA designed and implemented for Mr. Adams began on September 7, 2004 and ended on November 2, 2004. The final cost of the advertising



campaign was nine hundred seventy-seven thousand, four hundred and forty-eight dollars (\$977,448). A Proposal: Advertising Space to Benefit Re-Election of George W. Bush (July 23, 2004)(attached as Attachment 7). On September 7, 2004, Mr. Adams wired AOA one million dollars (\$1,000,000) to cover the cost of the entire advertising campaign that is the subject of the complaint Wire transfer from Stephen Adams to Adams Outdoor Advertising Account # 8801056378 (September 7, 2004)(attached as Attachment 8). Mr. Adams instructed AOA to keep the twenty-two thousand, five hundred fifty-two dollar (\$22,552) difference between the actual cost and the initial budget "just to be on the safe side" and ensure that Mr. Adams paid all direct and indirect costs of the advertising campaign. Affidavit of Randall Romig at ¶22; Affidavit of Stephen Adams at ¶13.

Even a cursory review of the documentation of just one element of the multi-state outdoor advertising campaign designed and implemented by AOA for Mr. Adams demonstrates conclusively that Mr. Adams was charged the normal and usual rate for AOA's services. On July 13, 2004, in response to a request from Mr. Romig, Kevin Fitzsimmons and Steve Boyle in the Bethlehem, Pennsylvania office of AOA provided Mr. Romig with quotes for an eight-week outdoor advertising campaign in the Lehigh Valley that would use a combination of bulletin boards and poster boards. Using the AOA of the Lehigh Valley rate card, Mr. Fitzsimmons and Mr. Boyle quoted Mr. Romig a price of one hundred eighteen thousand, eight hundred dollars (\$118,800) to run Mr. Adams' advertisements on 68 poster boards in the Lehigh Valley for an eight-week

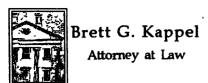


period. Mr. Fitzsimmons and Mr. Boyle also quoted Mr. Romig a price of thirty-five thousand, four hundred dollars (\$35,400) to run Mr. Adams' advertisements on five specific bulletin boards in the Lehigh Valley for an eight-week period. Memorandum from Kevin Fitzsimmons and Steve Boyle to Randy Romig (July 13, 2004)(attached as Attachment 5).

Mr. Romig incorporated these exact figures into his proposal summarizing the entire multi-state advertising campaign. A Proposal: Advertising Space to Benefit Re-Election of George W. Bush (July 23, 2004)(attached as Attachment 7). During the last week of August, 2004, Mr. Adams signed two contracts with Adams Outdoor Advertising of the Lehigh Valley. The first contract required Mr. Adams to pay AOA of the Lehigh Valley one hundred eighteen thousand, eight hundred dollars (\$118,800) to run Mr. Adams' advertisements on 68 poster boards in the Lehigh Valley for an eightweek period beginning on September 7, 2004 and ending on November 2, 2004. The second contract required Mr. Adams to pay AOA of the Lehigh Valley thirty-five thousand, four hundred dollars (\$35,400) to run Mr. Adams' advertisements on five specific bulletin boards in the Lehigh Valley for an eight-week period beginning on September 7, 2004. Poster and Bulletin Display Contracts between Adams Outdoor Advertising of Lehigh Valley and Stephen Adams (attached as Attachment 6).

Contrary to the unsubstantiated allegations in the complaint

internal AOA documents demonstrate conclusively that AOA charged Mr. Adams the normal and usual charge for the services it provided to Mr. Adams in connection with



AOA more than twenty-two thousand dollars over and above the actual cost of the advertising campaign "just to be on the safe side" and ensure that AOA recovered all direct and indirect costs of the advertising campaign. Clearly, there is no reason to believe that AOA made an in-kind contribution to the Bush-Cheney '04 campaign in violation of 2 U.S.C. § 441b(a). Since AOA did not violate 2 U.S.C. § 441b(a), it goes without saying that Mr. Adams did not violate 2 U.S.C. § 441b(a) either.

PAGES 14-16 HAVE BEEN REMOVED



To penalize Mr. Adams in this

situation would be fundamentally unjust.

Conclusion

For the reasons stated above, the Commission should find that (1) there is no reason to believe that Stephen Adams violated 2 U.S.C. § 441a(a)(1)(A) or applicable FEC regulations, (2) there is no reason to believe that either AOA or Stephen Adams violated 2 U.S.C. § 441b(a) or applicable FEC regulations

the

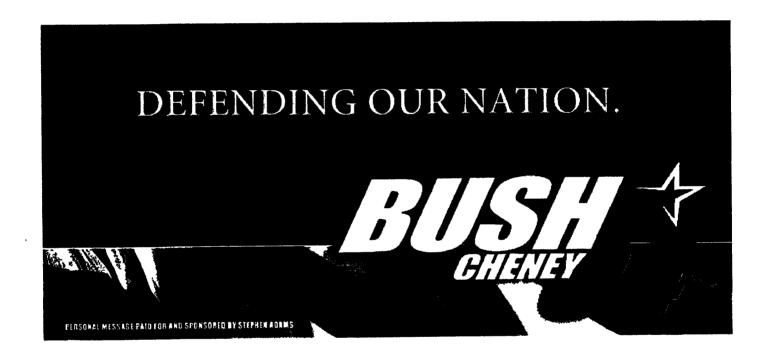
Commission should take no further action against him.

Respectfully submitted,

Brett G. Kappel Attorney at Law

Counsel for Adams Outdoor Advertising, Inc., Adams Outdoor Advertising Limited Partnership, AOA Holdings, LLC and Stephen Adams

ATTACHMENT 1



IT'S ABOUT OUR NATIONAL SECURITY. BUSSE CHENEY PERSONAL MISSASE PAID ION AND SPONSONIE BY STEPHER ADINS

A NATION SECURE.



PERSONAL MESSAGE PAID FOR AND SPONSORED BY STEPHER ADAM

ONE NATION UNDER GOD. BUSSIGE PAID FOR AND STEAMER ADAMS

BOOTS OR FLIP-FLOPS? BUSSIFIED TOR AND SPONSORID BY STEPRIFE ADJUS

ATTACHMENT 2

BEFORE THE FEDERAL ELECTION COMMISSION

In Re: Adams Outdoor Advertising, Inc. AOA Holdings LLC Adams Outdoor Advertising Limited Partnership)	MUR	5559
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AFFIDAVIT OF STEPHEN ADAMS

Before me, the undersigned authority, appeared Stephen Adams, who upon his oath deposes and states as follows:

- Affiant Stephen Adams has personal knowledge of the facts set forth in this
 affidavit.
- 2. Adams Outdoor Advertising Limited Partnership is in the outdoor advertising business in a number of states throughout the United States. Adams Outdoor Advertising, Inc. is the managing general partner of Adams Outdoor Advertising Limited Partnership. I own AOA Holding LLC and through that company I own 76% of the ownership interests in Adams Outdoor Advertising Limited Partnership. Adams Outdoor Advertising Limited Partnership, Adams Outdoor Advertising, Inc. and AOA Holding LLC are referred to in this affidavit collectively as "AOA". AOA is only one of many businesses in which I have an ownership interest and the outdoor advertising industry is only one of many industries in which the businesses I own are involved.

- 3. I am the Chairman of the Board of Directors of AOA, but that office is a position of oversight and I am not involved in the day-to-day operations of AOA.
- 4. On or about June 1, 2004, I hired AOA to design and implement a multi-state outdoor advertising campaign as an independent expenditure in support of the reelection of President George W. Bush. I gave AOA a budget of one million dollars (\$1,000,000) to design and implement this advertising campaign.
- 5. It was my expectation that AOA would ensure that the advertising campaign would be run in full compliance with federal, state and local laws governing campaign advertisements on outdoor advertising facilities.
- 6. On or about June 21, 2004, I received a memorandum from Randall Romig, AOA's Vice President for Real Estate, informing me that AOA had consulted legal counsel and had been told that it was permissible for me to proceed with the advertising campaign in support of the re-election of President George W. Bush, provided that I paid for the advertisements directly and the advertising campaign was run without any involvement by the Bush campaign.
- 7. Mr. Romig's memorandum to me included as an attachment a letter dated June 10, 2004 to Mr. Romig from Eric Rubin, a partner in the law firm of Rubin, Winston, Diercks, Harris & Cooke, L.L.P., which provided general guidance on the legal restrictions governing my request to hire AOA to run a campaign on AOA billboards advocating the re-election of President George W. Bush.
- 8. Mr. Rubin's letter stated that federal election laws prohibited any direct or indirect contributions by a corporation to a federal campaign. Accordingly, Mr.

Rubin advised that all costs with respect to the advertising campaign had to be paid directly by me. Mr. Rubin advised that this would include payment for all AOA services provided to me, including the direct costs for the design and posting of the proposed advertisements as well as the costs of administering the project. Mr. Rubin advised that AOA charge me the same rates for AOA services that the company would normally charge any other advertiser for comparable services.

- 9. Mr. Rubin also advised that federal law required that I undertake this advertising campaign independent of, and without any coordination or communication of any type whatsoever with, any campaign organization or any person affiliated with such an entity. Mr. Rubin advised that if I wanted to make an independent expenditure in support of the re-election of President George W. Bush, it had to be truly an individual and personal effort by me in complete isolation from any political organization and had to be paid for with my own personal funds and without any offset or reimbursement by AOA.
- 10. Throughout the advertising campaign that is the subject of the above-referenced matters, I have strictly followed Mr. Rubin's advice.
- 11. I had no contact whatsoever with any federal candidate, candidate's authorized committee, or their agents, or any political party or its agents with regard to the advertising campaign that is the subject of the above-referenced matters.
- 12. Between August 21, 2004 and August 27, 2004, I received a number of proposed display contracts from Mr. Romig. I reviewed these proposed contacts, signed them and then returned them to Mr. Romig during the last week of August, 2004.

- 13. The advertising campaign that I hired AOA to design and implement was scheduled to begin on September 7, 2004 and end on November 2, 2004. On or about September 5, 2004, AOA informed me that the final cost of the advertising campaign in support of the re-election of President George W. Bush was nine hundred seventy-seven thousand, four hundred and forty-eight dollars (\$977,448). On September 7, 2004, I wired AOA one million dollars (\$1,000,000) to cover the entire cost of the advertising campaign that is the subject of the above-referenced matters. Mindful of Mr. Rubin's advice that all direct and indirect costs of the advertising campaign to comply with federal law, I instructed AOA to keep the difference between the actual cost of the advertising campaign and the original budget of one million dollars (\$1,000,000) just to be on the safe side and ensure that I had paid all direct and indirect costs of the advertising campaign.
- 14. On October 15, 2004, I was told by my personal attorney, Robert T. York, that a complaint had been filed with the Federal Election Commission with regard to the advertising campaign I had hired AOA to design and implement in support of the re-election of President George W. Bush. Mr. York informed me that he and Mr. Romig were seeking experienced FEC counsel to respond to the complaint.

AND FURTHER AFFIANT SAYETH NAUGHT.

STATE OF NEW YORK) COUNTY OF NEW YORK

Sworn to and subscribed before me this 2th day of November 2004, by STEPHEN ADAMS who is personally known to me or has produced Can Drover License as identification and who has taken an oath

JOHN MARK HOPKINS

Notary Public, State of New York No. 01H05025754 Qualified in New York County Commission Expires April 4, 20 Notary Public

My Commission Expires: 4
Commission Number:

01H05025754

ATTACHMENT 3

BEFORE THE FEDERAL ELECTION COMMISSION

	i.)		
In Re:	Adams Outdoor Advertising, Inc.	j		
	AOA Holdings LLC)		
	Adams Outdoor Advertising)	MUR	5559
	Limited Partnership)		
	Stephen Adams)		
		_)		

AFFIDAVIT OF RANDALL ROMIG

Before me, the undersigned authority, appeared Randall Romig, who upon his oath deposes and states as follows:

- Affiant Randall Romig has personal knowledge of the facts set forth in this
 affidavit.
- 2. I am the Vice President of Real Estate for Adams Outdoor Advertising (hereinafter "AOA"). I was the principal AOA employee responsible for overseeing the design and implementation of the outdoor advertising campaign in support of the re-election of President George W. Bush that is the subject of the above- referenced matters.
- On or about June 1, 2004, Stephen Adams hired AOA to design and implement an outdoor advertising campaign as an independent expenditure in support of the re-election of President George W. Bush.
- 4. On or about June 4, 2004, I contacted Nancy Fletcher, President of the Outdoor Advertising Association of America, Inc., to seek guidance from her on the legal requirements applicable to an outdoor advertising company employed to

design and implement an advertising campaign as an independent expenditure in support of a candidate for federal office.

- 5. Ms. Fletcher forwarded my request to Eric Rubin, a principal in the law firm of Rubin, Winston, Diercks, Harris & Cooke, L.L.P., general counsel to the Outdoor Advertising Association of America, Inc.
- 6. On or about June 10, 2004, Mr. Rubin sent me a letter providing general guidance on the legal restrictions applicable to an outdoor advertising company hired to design and implement an advertising campaign as an independent expenditure in support of a candidate for federal office.
- 7. Mr. Rubin advised me that federal election laws prohibit any contribution by a corporation to a federal election campaign. Accordingly, Mr. Rubin advised me that all costs with respect to the advertising campaign had to be paid directly by Mr. Adams. Mr. Rubin advised me that this would include payment for all AOA services provided to Mr. Adams, including the direct costs for the design and posting of the proposed advertisements as well as the cost of administering the project. Mr. Rubin advised me that AOA should charge Mr. Adams the same rates for AOA services that the company would normally charge any other advertiser for comparable services.
- 8. Mr. Rubin also advised me that federal law required that Mr. Adams undertake this advertising campaign independent of, and without any coordination or communication of any type whatsoever with, any campaign organization or any person affiliated with such an entity. Mr. Rubin advised me that if Mr. Adams wanted to make an independent expenditure in support of the re-election of

President George W. Bush, it had to be truly an individual and personal effort by him in complete isolation from any political organization and had to be paid for by Mr. Adams with his personal funds and without any offset or reimbursement by AOA.

- 14. Throughout the advertising campaign that is the subject of the above-referenced matters, I strictly followed Mr. Rubin's advice.
- 15. The outdoor advertising campaign that is the subject of the above-referenced matters was designed and implemented without any contact whatsoever with any federal candidate, candidate's authorized committee, or their agents, or any political party or its agents.
- 16. AOA charged Mr. Adams the normal and usual charge for all the services provided to Mr. Adams in connection with the advertising campaign that is the subject of the above-referenced matters. Mr. Adams, in an abundance of caution, actually paid AOA more than the direct costs of the advertising campaign in an effort to ensure that AOA did not make an in-kind contribution to the re-election campaign of President George W. Bush.
- 17. When Mr. Adams retained AOA to design and implement an outdoor advertising campaign in support of the re-election of President George W. Bush, he gave the company a budget of one million dollars (\$1,000,000).
- 18. AOA employees under my supervision designed an advertising campaign that called for the placement of advertisements in Michigan, Pennsylvania, Wisconsin and South Carolina. I asked AOA employees in each of these states to provide me with quotes using the current market rates in each market.
- 19. The standard practice in the outdoor advertising industry is to charge advertisers separately for advertising space costs and production costs. Production costs are the costs of printing the advertisements that are then installed on bulletin boards and poster boards. Advertising space costs are the costs of renting the

bulletin boards and poster boards for a defined period. The standard practice in the outdoor advertising industry is to build all indirect costs, such as creative design and administrative costs, into the standard rates that are charged for advertising space.

- 20. Based on the legal advice received from Mr. Rubin, AOA designed an advertising campaign for Mr. Adams that purposefully came in approximately twenty thousand dollars (\$20,000) under budget. This "slippage" was built into the advertising campaign so that AOA would recover any unusual indirect costs that were not built into the advertising space costs and thereby ensure that Mr. Adams paid all of the costs of the advertising campaign. Based on Mr. Rubin's advice, I believed that this was a prudent way to ensure that AOA did not inadvertently make an in-kind contribution to the re-election campaign of President George W. Bush.
- 21. I personally prepared the display contracts that AOA submitted to Mr. Adams as part of the outdoor advertising campaign that is the subject of the above-referenced matters. Based on the legal advice of Mr. Rubin, and using the current market rate information supplied by individual AOA state offices, I charged Mr. Adams our standard rate card rates for advertising space. The proposed contacts were sent to Mr. Adams between August 18, 2004 and August 24, 2004. Mr. Adams signed the contracts and returned them to me at AOA headquarters in Atlanta, Georgia.
- 22. The advertising campaign AOA designed for Mr. Adams was scheduled to begin on September 7, 2004 and end on November 2, 2004. The final cost of

the advertising campaign was nine hundred seventy-seven thousand, four hundred and forty-eight dollars (\$977,448). On September 7, 2004, Mr. Adams wired AOA one million dollars (\$1,000,000) to cover the cost of the entire advertising campaign that is the subject of the above-referenced matters. Mr. Adams instructed AOA to keep the twenty-two thousand, five hundred fifty-two dollar (\$22,552) difference between the actual cost and the initial budget "just to be on the safe side" and ensure that Mr. Adams paid the full cost of the advertising campaign.

23.

24.

25.

26.

27.

28.

AND FURTHER AFFIANT SAYETH NAUGHT.

STATE OF GEORGIA COUNTY OF FULTON

Sworn to and subscribed before me this 12 day of Novem BER 2004, by RANDALL ROMIG who is personally known to me or has produced Driver's License as identification and who has taken an oath.

Notary Public

Notary Public

Nancy B. Cornican

Print Name

My Commission Expires: /-/3-06

Commission Number:



TO:

Steve Adams

FROM:

Randy Romig 27

DATE:

June 19, 2004

SUBJECT: Ad Space for 2004 Bush Campaign

Abe Levine shared with me your interest in the contribution of ad space to benefit the campaign of President Bush for re-election. Recognizing that there are some rather specific regulations involved in your so doing, I took the liberty of asking Nancy Fletcher (OAAA President) about the technical restrictions. She, in turn, forwarded my concerns to Eric Rubin, legal counsel of record to the OAAA. Eric's quite specific response is attached here to for your review. I have also forwarded a copy to Bob York, in the event that you want to discuss the issue with either one of us before proceeding.

I believe that Rubin's letter is right on point. Clearly, you do have the clearance to make contributions of space, as long as you pay for them directly and there is no involvement in the development of the billboard campaign with the Bush campaign strategy team. Certainly, we can accomplish what I believe you want to do. If you like, I will coordinate the graphic design with our Creative Director in Charlotte. Further, at your direction I will work with Bob York to be sure that we do not violate any FECA guidelines.

Finally, knowing that you would want to direct any advertising efforts to those states where Bush has slim margins or where a particularly strong battle is anticipated, I have asked a colleague to research for me those states where we do business and where a billboard campaign will be particularly helpful to President Bush. I should have that report sometime next week.

Please let me know how you would like to proceed. Best personal regards to you and Denise.

Cc: Kevin Gleason

Bob York

RUBIN, WINSTON, DIERCKS, HARRIS & COOKE, L.L.P.

AREGISTERED LIMITED LIABILITY PARTHERSHIP INQUIDING PROFESCIONAL CORPORATIONS

ATTORNEYS AT LAW

SIXTH PLOOK

1155 CONNECTICUT AVKNUE, NW

WASHINGTON, DC 20036

(202) 861-0870

FAX: (202) 429-0657

June 10, 2004

VIA FASCIMILE

Mr. Randy Romig Adams Outdoor Advertising 2802 Paces Ferry Road, S.E. Suite 200 Atlanta, GA 30339

Dear Randy:

Nancy asked me to provide you with some general guidance regarding the legal restrictions on how Adams Outdoor may proceed with respect to Steve Adams' interest in sponsoring a campaign on Adams Outdoor billboards advocating the election of President Bush.

As you are aware, the Federal Election Laws prohibit any direct or indirect contributions by a corporation to a federal election campaign. Accordingly, all costs with respect to these advertisements must be paid for directly by Steve Adams. This would include payment for all of Adams Outdoors' services provided to him including administrative assistance, and the direct costs for the design and posting of the proposed messages. All amounts should be calculated at the rate that your company would normally charge advertisers for comparable services. Likewise, pursuant to the FECA, It is critical that Mr. Adams undertake his program independent of, and without any coordination or communication of any type whatsoever with any campaign organization or any person directly affiliated with such an entity. Indeed, Mr. Adams should not contact such an organization or person after the fact even where his purpose was simply to inform them of his Independent efforts. In short, if Mr. Adams wishes to undertake this effort, it must be truly an individual and personal effort by him in complete isolation from any political organization and paid for independently with personal funds without offset or reimbursement by your company. Full and complete records should be kept by Mr. Adams and your company to document these facts.

Rubin, Winston, Diercks, Harris & Cooke, L.L.P.

Page Two June 10, 2004

For your Information, I am attaching specific sections of the Federal Election Commission's Guidelines For Corporations and Labor Unions, which deal specifically with these issues. The full text of the FEC's rules can be found at the www.fec.gov. If Mr. Adams decides to proceed further, he may wish retain his own counsel to assist him in this matter.

Sincerely,

Eric M. Rubin

EMR:slc Enclosure

RUBIN, WING

contributions to the candidate for the same election, as long as the overall \$5,000 limit is not exceeded.

Contributions to Other Committees

In addition to contributing directly to candidate committees, an SSF may support other committees that contribute to candidates, such as party committees. An SSF contribution to another political committee may take any of the forms described in this section.

A contribution to a committee that supports more than one candidate is subject to a yearly contribution limit of \$5,000. The contribution does not count against the limit for a particular candidate unless the SSF:

- Gives to an unauthorized single-candidate committee (i.e., a political committee that supports only one candidate);
- Knows that a substantial portion of its contribution will be given to or spent on behalf of a particular candidate; or
- Retains control over the funds after making the contribution.
 110.1(h): 110.2(h).

Supporting Nonfederal Candidates

SSFs may contribute to nonfederal candidates using money they have raised for federal elections. Donations to nonfederal candidates are subject to state and local laws, not the Federal Election Campaign Acl, but the SSF must still disclose the disbursements in its FEC reports. AOs 1986—27 and 1981—18.

SSFs active in both federal and nonfederal elections should also consult Appendix A.

2. Independent Expenditures

In addition to making contributions, an SSF may support (or oppose) candidates by making independent expenditures. Independent expenditures are not contributions and are not subject to limits. (However, contributions made to a committee or to another person making independent expenditures are subject to limits, as expenditures are subject to limits, as expelled below.) See AOs 1999-37, 1999-17, and 1998-22.

What is an independent Expenditure

An independent expenditure is an expenditure for a communication, such as a Web site, newspaper, TV or direct mail advertisement that:

- Expressly advocates the election or defeat of a clearly identified candidate; and
- Is not made in consultation or cooperation with, or at the request or suggestion of a candidate, candidate's committee, party committee or their agents. 100.23 and 109.1(a). See "What Constitutes Coordination" below.

When is a Candidate "Clearly identified"

A candidate is "clearly identified" if the candidate's name, nickname, photograph or drawing appears, or the identity of the candidate is otherwise apparent. Examples include: "the President," "your Congressman," "the Democratic presidential nominee," "the Republican candidate for Senate in the State of Georgia." 100.17.

What is "Express Advocacy (Candidate Advocacy)"

"Express advocacy (candidate advocacy)" means that the communication includes a message that unmistakably urges election or defeat of one or more clearly identified candidate(s).

There are two ways that a communication can be considered express advocacy (candidate advocacy): by use of certain "explicit words of advocacy of election or defeat" and by the "only reasonable interpretation" test. 100.22.

"Explicit words of advocacy of election or defeat"

The following words convey a message of express advocacy (candidate advocacy):

- "Vote for the President." "re-elect your Congressman." "support the Democratic nominee." "cast your bellot for the Republican challenger for the U.S. Senate in Georgia," "Smith for Congress," "Bill McKay in '96";
- Words urging action with respect to candidates associated with a particular issue, e.g., "vote Pro-Life"/ "vote Pro-Choice," when accompanied by names or photographs of candidates identified as either supporting or opposing the issue;

 "Defeat" accompanied by a photograph of the opposed candidate, or the opposed candidate's name, or "reject the incumbent"; and

3. Referred to in previous Campaign Guides as "magic words."

 Campaign slogan(s) or word(s), e.g., on posters, bumper stickers and advertisements, that in context can have no other reseonable meaning than to support or oppose a clearly identified candidate, for example, "Nixon's the One," "Center '78," "Reagan/Bush". 100.22(a).

"Only Reasonable Interpretation" Test in the absence of such "explicit words of advocacy of election or defeat." express advocacy (candidute advocacy) is found in a communication that, when taken as a whole and with limited reference to external events, such as the proximity to the election, can only be interpreted by a "reasonable person" as alvocating the election or defeat of one or more clearly identified candidate(s). 100,22(b)(1) and (2).4

This test requires advocacy of a candidate that is unmissakable, unambiguous and suggestive of only one meaning (that being the election or defeat of a candidate). 100.22(b)(2).

Note that the author's intent is irrelevant. The test is how a "reasonable" receiver of the communication objectively interprets the message. If reasonable minds could not differ as to the unambiguous electoral advocacy of the communication, it is express advocacy (candidate advocacy) regardless of what the author intended.

Multiple page communications or multiple inserts in the same envelope in a direct mail place are to be read all together as a whole. *MCFL*, 479 U.S. at 249.

What is Not an Independent Expenditure

When an expanditure is made under the circumstances described below, it results in an in-kind contribution to a candidate rather than an independent expenditure and therefore counts against the SSF's contribution limit for that candidate. 109.1(c).

4. Four federal courts have found invalid 11 CFR 100.22(b.), the FEC regulation containing the "only reasonable interpretation" test: Maine Right to Life Committee v. FEC (1st Circuit Court of Appeals, 1995); Right to Life of Dutchess County v. FEC (NY district court, 1998); FEC v. Christian Action Network (4* Circuit Court of Appeals, 1996); and this Virginia Society for Human Life, inc. v. FEC (VA district court, 2000). See also, bow; Right to Life Comm., Inc. v. Williams (8* Circuit Court of Appeals, 1999). The regulation (100.22(b)) was based on the 1987 8th Circuit Court of Appeals decision, FEC v. Furgalch. The split in the Circuits remains unresolved.

30licitations on Behalf of a Candidate An expenditure by an SSF for a communication that solicits the public for contripullons on behalf of a candidate is an n-kind contribution if the SSF collects and forwards the money to the candidate's committee. See AO 1980— 46, See also Appendix D, "Earmarked Contributions."

Candidate-Prepared Material
Any expenditure to distribute or republish
campaign material (print or broadcast)
produced or prepared by a candidate's
campaign is an in-kind contribution, not
an independent expenditure. 109.1(d).

Coordination with Candidate's

Campaign
Any expenditure that is a coordinated general public political communication is "an in-kind contribution, not an independent expenditure. See below. [-...109.1(b)(4) and 100.23.

Coordinated General Public Political Communication

"A communication is a Coordinated Gen"Teral Public Political Communication and
"Its considered an in-kind contribution and
"Inot an independent expenditure if it:

in is intended for an audience of over 100
people and is made through a broadcasting station (including a cable television operator), newspaper, magazine,
outdoor advertising facility, mailing or
any electronic medium, including the
internet or on a Web site;

 Is Coordinated with the candidate, party or their agents (see below);

· Mentions a Clearly Identified Federal

Candidate (see below); and
Is paid for by a person other than a candidate, a party or their agents.

What Constitutes Coordination Coordination with the candidate, the party or their agents occurs when the communication is created, produced or distributed:

 At the request or suggestion of the candidate or party;

After the candidate or party has exercised control or decision-making authority over the details of the communication (see below); or

After substantial discussion or negotiation, resulting in collaboration or agreement, between the communicator (e.g., the creator, producer, distributor or the person paying for the communication) and the candidate or party concerning the details of the communication (see below).

Details of the Communication Details of the communication include the content, timing, location, mode, intended

audience, volume of distribution or the frequency of placement of that communication.

Exception: Candidate's Response to Inquiry

A candidate's or party's response to an inquiry regarding their position on legislation or policy does not alone constitute coordination.

internet independent Expenditures

Recent AOs have addressed cases involving independent expenditures over the Internet. In AO 1998-22, the Commission advised that a Web site containing express advocacy of a Federal candidate would be considered an independent expenditure only if the activity was completely independent of the campaign. If the activity was done in cooperation, consent or concert with a campaign, it would be an in-kind contribution and, thus, would be reportable by the campaign.

in AO 1999-37, a PAC generated express advocacy communications for electronic distribution through downloads and e-mail. Costs of regletering and maintaining the Web site or of computer hardware and software dld not count as independent expenditures unless they were directly attributed to specific express advocacy communications such as maintaining a separate Web site for or against specific candidates. On the other hand, the expenses of initially distributing an express advocacy communication through e-mail was considered an independent expenditure. The PAC was not required to collect information on those individuals who downloaded the PAC's advertisements and used them for their own political activity. See 106.1(c)(1).

Discialmer Notice Required

A communication representing an independent expenditure must display a disclaimer notice. See Section 4 for more information.

Allocation Among Candidates

When an independent expenditure is made on behalf of more than one clearly identified candidate, the SSF must allocate the expenditure among the candidates in proportion to the benefit that each is expected to receive. For ex-

ample, in the case of a published or broadcast communication, the attribution should be determined by the proportion of space or time devoted to each candidate in comparison with the total space or time devoted to all the candidates, 104.10; 106.1(a).

Contributing to Committees That Make independent Expenditures

A contribution by an SSF to a committee that makes independent expenditures is subject to the SSF's limit for that committee.

A contribution to a committee that supports only one carridate, however, is subject to the SSF's per candidate, per ejection limit. 110.1(h),

Prohibitions Apply

Note that the same persons prohibited from making contributions to candidates and political committees are also prohibited from making expenditures, including independent expenditures, in connection with federal elections. Thus, independent expenditures by corporations, labor organizations, federal government contractors and foreign nationals are prohibited.

3. Independent Expenditures by Qualified Nonprofit Corporations

Although corporations and labor organizations are prohibited under the Act from making contributions or expenditures in connection with federal elections, a limited exception allows certain Qualified Nonprofit Corporations (QNCs.) to make independent expenditures (but nxt contributions). If a QNC makes a reportable (see Filing Reports, page 33) independent expenditure, it must demonstrate its eligibility for QNC status. The following paragraphs explain these issues in greater detail.



Zehigh Valley

To:

Randy Romig

From:

Kevin Fitzsimmons, Steve Boyle

Re:

Bush Campaign

Date:

July 13, 2004

Poster Campaign

100 #GRP Showing in Each Market:

54 Panels in Lehigh Valley

8 Panels in Quakertown

Lehigh Valley & Quakertown @ \$900.00/panel.

6 Panels in Lehighton/Palmerton/Slatington

<u>Lehighton/Palmerton/Slatington @ \$600.00/panel.</u>

Total for a two (2) cycle poster campaign = \$118,800.00.

Bulletin Campaign

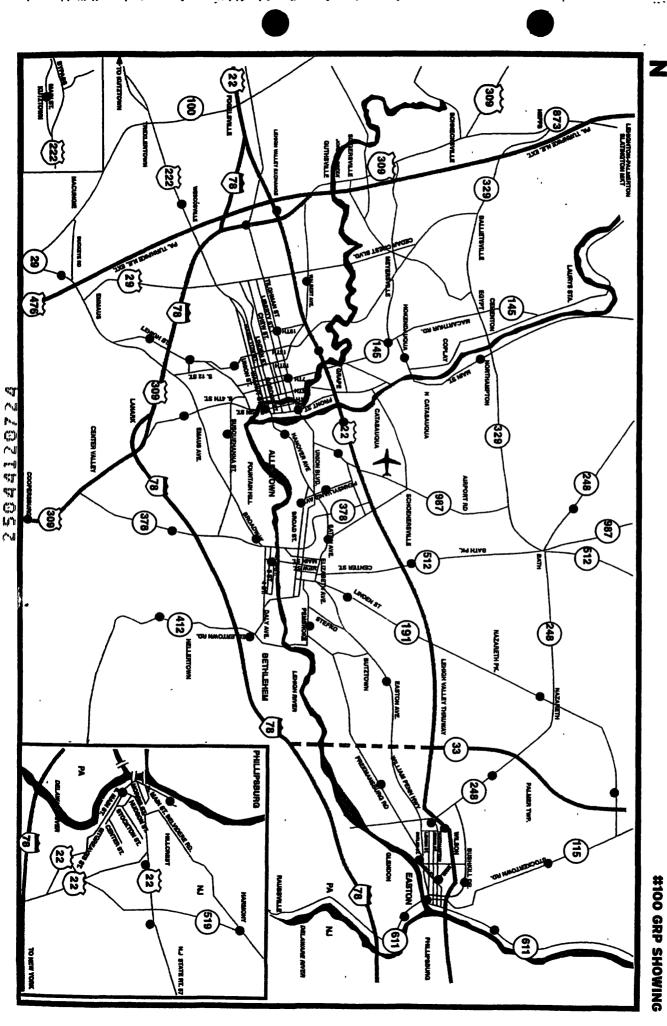
Five Bulletins in the L	Rate Per Period	•	
5A630 US 22	2 0.65 MI E/O Cedar Crest Blvd SS F/W	\$ 4,000.00	
5Q555 SR 30	09 0.2 MI N/O Rich Hill Rd WS F/N	\$ 2,500.00	
5T535 I-476	4.1 MI N/O SR 663 ES F/N	\$ 2,000.00	
5T595 I-476	2.3 MI N/O US 209 ES F/S	\$ 1,200.00	
	0.5 MI S/O South St. ES F/N sizes and DEC are on the following ride sheets*	\$ 8,000.00	

Total for a two (2) cycle bulletin campaign = \$35,400.00

TOTAL CAMPAIGN INVESTMENT FOR TWO (2) CYCLES = \$154,200.00

*Post date for campaign is September 8th 2004 and will run through the election on November 2, 2004.

Percentage Breakdown - Posters to Bulletins: 77% to 23%

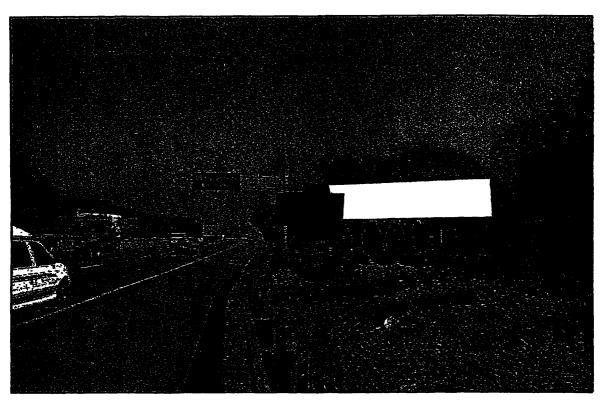


Lehigh Valley Metro, PA



Painted Bulletin

#5A630 US 22, 0.65 MI E/O CEDAR CREST BLVD SS, F/W



Location Description

This bulletin is located on Route 22, the major artery of the Lehigh Valley, and offers exposure to those destined for the Lehigh Valley & Whitehall Malls, Downtown Allentown, the Allentown Farmers Market, and Agricultural Hall (trade show exhibit). It is a valuable, as well as unavoidable, advertising investment!

Size: 14' X 48'

Daily Effective Circulation: 58,100 (18+)

Four Week Investment: \$3,500

Illumination: Yes, until midnight

Production Expense: Computer Painted or Handpainted:

\$1,600

Cutout/Extensions: \$25 per sq. ft. net

Agreement: 13 four week cycles

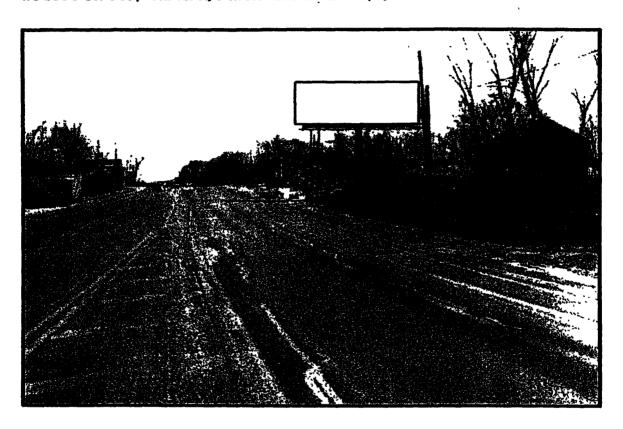
N W-↓+E S	Bivd.	Allentown	Street		
Route 22					
	Cedar Crest	→	15th		

Rev 2/04



Painted Bulletin

#5Q555 SR 309, 0.2 MI N/O RICH HILL ROAD WS, F/N



Location Description

Located on a highly traveled artery in the heart of Quakertown, this bulletin targets retail traffic coming from the Richland Mall. It also is on a major thoroughfare used by commuters destined for Philadelphia.

Size: 14'X 48'

Daily Effective Circulation: 23,200 (18+)

Four Week Investment:

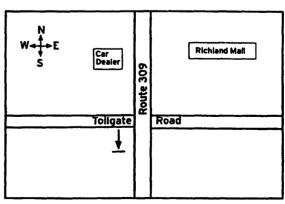
Illumination: Yes, until midnight

Production Expense: Computer Painted or Handpainted:

\$1,600

Cutout/Extensions: \$25 per sq. ft. net

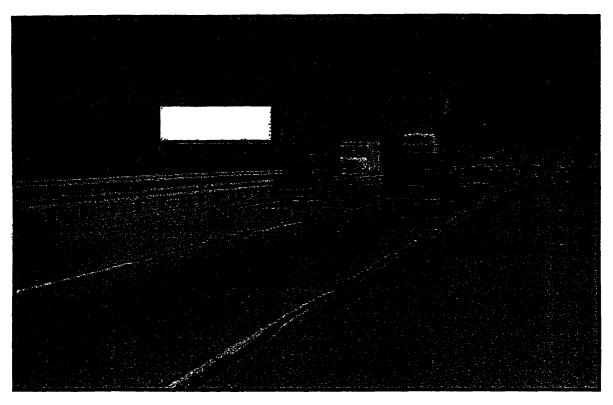
Agreement: 13 four week cycles



Rev 4/04



Painted Bulletin #5T535 I-476, 4.1 MI N/O SR 663 ES, F/N



Location Description

Located on the main artery traveled from the Lehigh Valley to Philadelphia, this bulletin targets travelers coming from Allentown. It also offers exposure for destinations in Quakertown and further south towards Philadelphia.

Size: 14'X48'

Daily Effective Circulation: 30,900 (18+)

Four Week Investment:

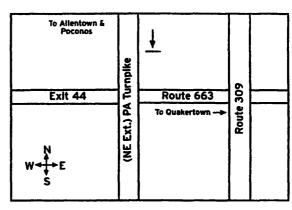
Illumination: Yes, until midnight

Production Expense: Computer Painted or Handpainted:

\$1,600

Cutout/Extensions: \$25 per sq. ft. net

Agreement: 13 four week cycles



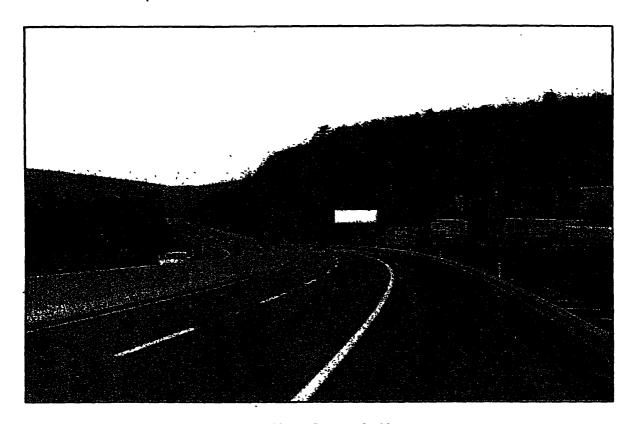
Rev 4/04

www.adamsoutdoor.com



Painted Bulletin

#5T595 1-476, 2.3 MI N/O US 209 ES, F/S



Location Description

Located on a major vacationers thoroughfare in the Lehigh Valley, this board offers coverage to traffic heading toward the Poconos. It can target travelers to the various camping grounds and skl resorts, such as Jack Frost and Big Boulder, for year-round activities.

Size: 14'X48'

Daily Effective Circulation: 13,900 (18+)

Four Week Investment:

Illumination: Yes, until midnight

Production Expense: Computer Painted or Handpainted:

\$1,600

Cutout/Extensions: \$25 per sq. ft. net

Agreement: 13 four week cycles

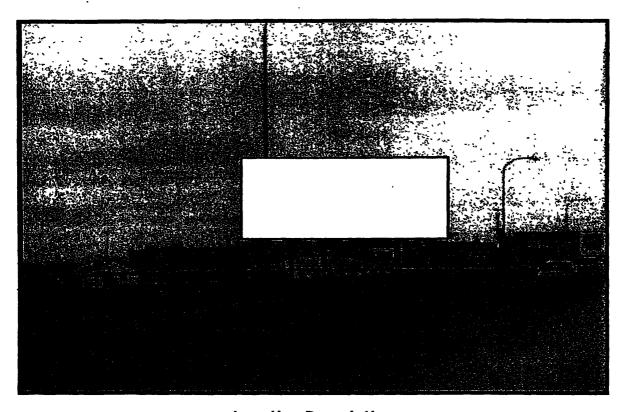
Exit 95 N V V S	(NE Ext.) PA Turnpike	Route 940 (Poconos)
Exit 74	(NE	Route 209 (Lehighton)

Rev 4/04



Painted Bulletin

#5PH65 1-76, 0.5 MI S/O SOUTH ST ES, F/N



Location Description

The numbers say it all. ..located on Interstate 76 in Philadelphia, this board grabs the attention of every traveler, visitor & commuter heading to and from the Philadelphia area. It targets those traveling to the Philadelphia International Airport, Veteran's Stadium, the Spectrum Sports Arena, and retail & residential traffic. Also, just a short distance to Camden, NJ, this bulletin has the ability to reach aquarium visitors and retail shoppers.

Size: 14X48

Daily Effective Circulation: 107,000 (18+)

Four Week Investment:

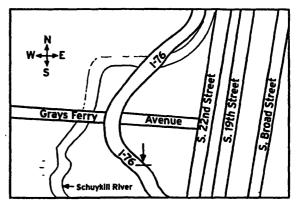
Illumination: Yes, until midnight

Production Expense: Computer Painted or handpainted

\$1600

Cutout/Extensions: \$25 per sq. ft. net

Agreement: 13 four week cycles



Rev 4/04

ų,

Adams Outdoor Advertising of Lehigh Valley

2176 Avenue C Bethiehem, PA 18017 TEL: 610-266-9461	CONTRACT #			
FAY: 410-266-0640	(Print Name) TIN DISPLAY CONTRACT			
Date 8/10/04	Rotary Perm New Renewal Local National Illum Non-Illum			
ADVERTISER/CLIENT Re-elect Bush	BILL TO Steve Adams			
PRODUCT/CATEGORY Political	88 Old Roxbury Rd.			
TELEPHONE FAMILIES FAMILIES FAMILIES	Rox bury, CT 06783 EMAIL ADDRESS			
The undersigned advertiser hereby authorizes Adams Outdoor Advertiser produce, install and maintainbulletin(s) upon the following	tising of Lehigh Valley, PA, (hereafter referred to as "ADAMS") to ng terms and conditions:			
MARKET / LOCATION DESCRIPTION(S)	BULLETIN SIZE WEEKLY RATE NUMBER			
US 22, .6 mi E/O Cedar Crest Blu SR3092 mi N/O Rick Hill Road	1d 5A 630 14 X 48 5Q555 14 X 48			
I-476, 4.1 mi N/0-8. R. 663	5T535 14 X 48			
I-476, 2.3 mi N/O U.S. 209	57595 14 X 48			
I-76, .5mi 5/0 South St.	5-PH65-14 X 48			
The beginning date of the display will be	weeks. It is understood by all parties to this contract that 52-week con-			
PRODUCTION COST: "Space Cost" does not include any production cost, for which there will be an additional charge of \$	Total Space Cost: \$ 35, 400.0			
EMBELLISHMENT COSTS FOR EXTENDED SPACE: \$ 25.00 per square foot for fabric printing, maintenance and retention of such embellishments will be tabric painted and installed annually at the expense of the Advertised Cities.	retion, nents. sated, acted, a			
TERMS: Advertiser agrees to pay by cash the specified amount not later than thirty (30) est rate permitted by law. In the event of default, Advertiser agrees to pay, in addition to a attorney fees, or actual attorney fees, whichever is greater, in the event suit shall be insist THIS ORDER IS SIGNED AND ACCEPTED SUBJECT TO THE TERMS AND CONDIT THE AGREEMENTS AND REPRESENTATIONS AS TO THIS CONTRACT MADE BY ERECTSION: THIS CONTRACT IS NON-CANCELABLE BY THE ADVERTISER, ITS AS IT Advertiser elects to sign this Contract and then followed a technile copy to Adams, Adamagness to be bound to the farms and stoutations hereunder as if Advertiser had afficed a	iny amount required hereunder, either thirty percent (30%) of the amount due to cover fluted. TIONS STIPULATED ON BOTH SIDES OF THIS CONTRACT WHICH ARE ALL OF EITHER PARTY HERETO. DVERTISING AGENCY, OR BY ITS SUCCESSORS OR ASSIGNS. THE Will accept same in lieu of an original signature contract form. However, Advertiser and forwarded an original signature to the Contract.			
SPECIAL PROVISIONS: Contract is Pre-e	mptible.			
,	ERTISER/CLIENT			
The within agreement shall not bind ADAMS until signed by the General Manager for Adams Outdoor Advertising, a Limited Partnership, by and through its managing general partner, Adams Outdoor Advertising, inc.	ORIZED BY: SIGNATURE			

PRINTED NAME

DATE

Single Committee Committee	ns Outdoor Ad	vertising of	Lenigh Valle	Y 2	:
2176 Avenue C Bethlehem, PA 18017 TEL: 610-266-9461			CONTRACT 4 ACCOUNT EX		ne)
FAX: 610-266-0649	POSTER DI	SPLAY CONT	TRACT	,	,
Date 8/10/04			Premier Panel	New Renewa	ı
ADVERTISER/CLIENT Re-e		h BILL TO	Steve	Adams	
PRODUCT/CATEGORY	tical			xbury K	d.
<u>.</u>			EMAIL ADDRESS	T 06	103
TELEPHONE		<u> </u>			
The undersigned advertiser hereby audisplay poster Advertising upon the fo	ithorizes Adams Outdoo Nowing terms and cond	: Advertising of Leh kions: ";	igh Valley, PA. (hereal	iter referred to as "ADA i	MS") to
MARKET	GRP LEVEL	ALLOTMENT REG. / ILLUM.	NUMBER OF FOUR-WEEK PERIODS	RATE STAR	T DATE:
Lehigh Valley	-3	54	2	9/	7/0
		0		0:1	/ / / / /
Quakertown		*	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	. 77	סקיק
Lehighton, Palmert Slakingt		6	7	9/	7/0
1				\$59,400	t
	π	OTAL SPACE AMOU	NT (# POST(NG PERIODS :		Δ 'A/
YEAR:			12004	200	4
POSTING PERIODS: JAN	FEB MAR APR	MAY JUNE	JULY AUG S	EFT OCT NOV	DEC
DATES REQUESTED				74-32	
POSTING LEEWAY: Advertiser agrees that periods and continue to be displayed for a period of (5) working day leeway, a credit for the total loss every poster panel not displayed within said posterior.	f not less than twenty-five (25) s of service to the Advertiser wi ing leavay.	days for each posting he ii be based on the mont i	riod indicated. If Adams falls hij volume rate herein set so	s to display the posters within the proresed-on a delity basis for	he said or each :
TERMS: Advertiser agrees to pay by cash the strate permitted by law, in the event affoliaut, Advertise new fees, or educal atterney fees, whichever is grown expertise to expertise the strategy of the strate	oritiser agreed to pay, in equilibrit agreed in the event shift shall be	ipatimac ipatimac	hereinder, either thirty perce	ont (30%) of the amount due to	cover at
AGREEMENTS AND REPRESENTATIONS AS	TO THE CONTRACT MADE B	Y EITHER PARTY HER	ED ON BOTH SIDES OF TH	IS CONTRACT WHICH ARE A	UL OF 1
RESCISSION: THIS CONTRACT IS NOW CARE If Advertiser elects to significate formact, and other agrees to be bound to the terms and stipulations	4 * 1 · · · · ·				r. Advert
SPECIAL PROVISIONS	. + 3 ~ / · · £	5	1 * 1 - 1	e to the Contract.	•
SPECIAL PROVISIONS: Contra	/ (S. F. F	re-emp	ILIDIE.		
N. I					,
	1	E.A.			
ADAMS OUTDOOR ADVERTISING	1 1 - 1	ADVERTISER/CL			
The within agreement shall not bind ADAMS until to	igned by the General Manager	AUTHORIZED BY	:		
for Adjams Outdoor Advertising, a Limited Pertners general partner, Adjams Duddoor Advertising, Inc.	imp, my mro sprovigh its ingenegation) '`		SIGNATUR	RE
GENERAL MANAGER	DATE		PRINTED NAME	DATE	

PINK - SALES

WHITE - ADAMS

A PROPOSAL

ADVERTISING SPACE TO BENEFIT RE-ELECTION OF GEORGE W. BUSH

Client:

Stephen Adams

Proposal Date: July 23, 2004

Start Date: End Date:

September 7, 2004 November 2, 2004

Cycles:

Two Advertising Cycles of 28 days (four weeks) each ≈ 56 days

PLANT	PRODUCT	QUANTITY	COST	
KALAMAZOO (all markets)	Posters Bulletins	48 12	\$ 79,2 \$ 96, 0	
ANN ARBOR (all markets)	Posters Bulletins	17 9	\$ 33,4 \$ 73,2	
LANSING (all markets)	Posters Bulletins	51 10	\$ 76,7 \$ 59,2	
NORTHEAST PA (all markets)	Posters Bulletins	36 3	\$ 43,5 \$ 10,0	
LEHIGH VALLEY (all markets)	Posters Bulletins	68 5	\$ 118,8 \$ 35,4	
MADISON (note that start dates vary)	Posters Bulletins	14 to 22	\$ 54,2 \$ 42,4	
FLORENCE	Posters Bulletins	73 10	\$ 78, \$ 24,8	
CHARLESTON (ORANGEBURG)	Posters	67	\$ 100,	500
SUB-TOTAL (ADVERTISING SPACE ONLY)		435	\$925,	560
PRODUCTION COSTS:	Posters (700) Bulletins (52)		\$ 15,2 \$ 36,6	
SUB-TOTAL (PRODUCTION EXPENSES ONLY)			\$ 51,8	388
CREATIVE DESIGN EXPENSES (Haselton)				?
ADMINISTRATIVE EXPENSES (Romig)				?

GRAND TOTAL FOR PROGRAM

\$977,448--

L) b

Balance Report

file Bush Campun

Page 1 of 3

Same Day Balance Report As of Sep 07, 2004 Printed on Sep 24, 2004 at 08:39 AM

Gwen Lawson

Bank: SUNTRUST ATLANTA

Account:

Interim Available

ADAMS OUTDOOR ADVERTISING - MSTR (USD)

Same Day Interim Calculations Amount

\$429,063.54 Opening Ledger \$429,063.54 **Opening Available** Not Reported **Current Day Credits Current Day Debits** * Not Reported * * Not Reported * Interim Immediate Interim One Day Float * Not Reported * * Not Reported * Interim Two + Day Float Not Reported Interim Ledger

Status Balances Amount
Closing Ledger Balance \$429,063.54

- ADAMS OUTDOOR ADVERTISING - PAYROLL (USD)

Not Reported

Same Day Interim Calculations Amount

Opening Ledger \$0.00
Opening Available \$0.00
Current Day Credits *Not Reported *
Current Day Debits *Not Reported *
Interim Immediate *Not Reported *
Interim One Day Float *Not Reported *
Interim Two + Day Float *Not Reported *

Interim Available Not Reported*

Status Balances Amount
Closing Ledger Balance \$0.00

Account: ADAMS OUTDOOR ADVERTISING - AP (USD)

Same Day Interim Calculations Amount

Opening Ledger \$0.00
Opening Available \$0.00

Current Day Credits \$1,000,000.00 (1)

\$113,125.24 (1) **Current Day Debits** \$1,000,000.00 Interim Immediate \$0.00 Interim One Day Float \$0.00 Interim Two + Day Float \$886,874.76

Interim Ledger

\$886,874.76 Interim Available

> **Amount Status Balances** Closing Ledger Balance \$0.00

Customer **Detail Credit Text** Availability Bank Ref. **Amount** Ref. **Transactions**

Individual \$1,000,000.00 Wire Credit

0 Day

IMAD:

Ref: ORG=A

JPMORGAN CHASE BANK

NEW YORK ORG=/

STEPHEN ADAMS

ADAMS OFFICE LLC 8

8 OLD ROXBURY ROAD ROXBURY

CT 06783

OBK=/

INTERNAL ACCOUNTS PROCESSING GRP

MCC 1/OPS 3

500 STANTON CHRISTIANA RD

NEWARK DE 19713-

OBI=25 PARK PLACE

GA 30303

SRF-

ORF=OS1 OF 04/09/07

BBK=D/

ADAMS OUTDOOR ADVERTISING

AP ACCT

2802 PACES FERRY RD STE 200

ATLANTA GA 30062

BNF=

ADAMS OUTDOOR ADVERTISING-AP

1 \$1,000,000.00

Customer **Detail Debit** Bank Ref. **Text Amount** Ref. **Transactions** Individual Wire **SWIFT MIR:** \$113,125.24 Debit ORG=D/ ADAMS OUTDOOR ADVERTISING AP ACCT 2802 PACES FERRY RD STE 200 ATLANTA GA 30062 ORG= ADAMS OUTDOOR ADVERTISING - AP 2802 PACES FERRY RD SE STE # 200 **ATLANTA** SRF= IBK= BANK OF MONTREAL **MONTREAL** IBK= **WACHOVIA NY INTL NEW YORK** NY BBK=

BANK OF MONTREAL

PLACE D'ARMES

MONTREAL BNF=

(INTERNATIONAL BRANCH)

Eclipse Colour and Imaging Corp

Burlington Ontario Canada

Item Count 1

\$113,125.24